P O. Box 421 Eureka, Utah 84628 (801) 433-6804 FAX (801) 433-6803





North Lily Mining Company

January 21, 1992

State of Utah Department of Natural Resources Division of Oil, Gas, and Mining 355 West, North Temple 3 Triad Center, Suite 350 Salt Lake City, Utah 84180-1203

Enclosed is North Lily's annual operations and progress report of the Mine Reclamation Act, Title 40-8, Utah Code Annotated 1953.

Yours Truly,

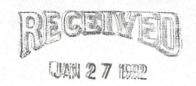
Paul C. Spor General Manager

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FORM MR-AR (Revised 1/91)

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GENERAL INFORMATION



DIVISIONOF OIL CASE MINING

STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS AND MINING

355 West North Temple 3 Triad Center, Suite 350 Salt Lake City, Utah 84180-1203 Telephone: (801) 538-5340 Fax: (801) 359-3940

ANNUAL REPORT OF MINING OPERATIONS

The informational requirements of this form are based on provisions of the Mined Land Reclamation Act, Title 40-8, Utah Code Annotated 1953, as amended, and the General Rules as promulgated under the Utah Minerals Regulatory Program. An operator conducting mining operations under a Notice of Intention must file an annual operations and progress report (FORM MR-AR) with the Division.

••	GENERAL IN CHAMITTEE			
	1.	Report Time Period: From (mo./yr.) 1/91 To (mo./yr.) 12/91		
	2.	DOGM File Number: M /023/007		
	3.	Mine Name: North Lily Mining Company		
	4.	Mineral(s) Mined: Gold and Silver		
	5.	Legal Description (Location of Lands Affected):		
Cente	nnial	SE 1/4, NE 1/4, Section 35, Township 105, Range 3 W NE 1/4, NE 1/4, Section 17, Township 105, Range 3 W		
		PSW1/4, Sw 1/4, Section Nownship 105, Range 2 W		
	6.	Name of Operator or Company: North Lily Mining Company		
	7.	Permanent Address: P.O. Box 421		
		Eureka, UT 84628		

٥.	Company Representative (or designated operator):					
	Name: Paul C. Spor					
	Title: General Manager					
	Address: P.O. Box 421, Eureka, UT 84628					
	Phone: 433 6804					
	Please check if any of the above information has changed since previous year.					
II.	MINING AND RECLAMATION					
1.	Was the mine active during the past year? Yes ⊠ No □					
2.	If active, how much ore or mineral was mined?					
3.	How much new or additional acreage was affected during past year? 17.8					
4.	Briefly describe any new or additional surface disturbances that occurred during the past year. This description should include the type of work performed, and volume of material moved. See Attachment A					
	JEE HELACHMENT H					
5.	How much acreage was reclaimed during past year?30.3					
6.	Briefly describe the reclamation work performed during the past year. This description should include methods employed, and an evaluation of the results. See Attachment A					

	7.	What is the total disturbed acreage at years end? See Attachment A		
	8.	Briefly summarize mining and reclamation planned for the upcoming year. See Attachment A		
NOTE:		Section III., "Additional Information" applies only to <u>large mining operations</u> .		
III. <u>AD</u>	DITIO	NAL INFORMATION		
	1.	An updated surface facilities map should be attached if there have been significant changes since the previous map was submitted.		
	2.	Any monitoring results or other reports that are required under the terms of the approved notice of intention should also be attached.		
IV. <u>SIC</u>	SNATU	RE REQUIREMENT		
	I herel	by certify that the foregoing is true and correct.		
		Name (Typed or Print): Paul C. Spor		
		Title of Operator: General Manager		
		Signature of Operator:		
		Date: 1/21/92		

jb MR-AR

ATTACHMENT A

Section II

- 4) Completed the Phase I pad construction permitted in 1991 approximately 7.8 acres were disturbed, some of which had been disturbed before, approximately 1/2 of the 7.8 acres.
 - The Yankee Dump and Centennial Eureka Dump were screened and the undersized material was hauled and stacked on our heap leach pads at our Silver City operation, the oversized material at the Yankee Dump has been graded and cross ripped to conform with the existing topography. Approximately 1.3 & 8.7 acres were disturbed at the Yankee and Centennial Eureka Dumps respectively.
- 6) The reject material at the Yankee Dump was graded and cross ripped to conform with the existing topography, approximately 1.3 acres.
 - The portion of the Mammoth Dump not graded, cross ripped, seeded and mulched in 1990 was completed in 1991. Approximately 10.0 acres were reclaimed.
 - Seeding was completed on the Red Dump and Clay Pit in 1991 approximately 17 and 2 acres respectively.

7)	<u>Description</u>	<u>Acres</u>	Type of reclamation need
	Plant Area Acreage Yankee Dump Centennial Eureka Dump	27.0 1.3 8.7	grade, cross rip and seed seed only grade, cross rip, and seed
		37.0	

Somplete all unfinished seeding of disturbed area, i.e. Yankee Dump.
Grade, cross rip, seed and mulch the Centennial Eureka Dump area.
North Lily has submitted an application to the Division of Oil, Gas, and Mining for the removal of all or portion of the, Eureka Hill, Upper Mammoth, Eagle, North Star, Iron Blossom #3, and the Colorado # 1 and 2 Dumps. It is North Lily's intention to grade, cross rip, seed and mulch these dumps in conjunction with the reclaiming of the above described dumps i.e. the Yankee and Centennial Eureka Dump. Approximately 300,000 tons of material are contained in the dumps for which the application has been submitted.